

NORTH-WEST TERRITORIES. LEGISLATIVE  
Council.

Memorial of the Legislative of the  
North-West territories to His Excellency the Governor General in Council,  
of May 2, 1900, upon the financial and...  
Regina, Government House, 1900. 2 copies.

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## MEMORIAL

Of the Legislative Assembly of the North-West Territories to His  
Excellency the Governor General in Council, of May 2, 1900,  
upon the Financial and Constitutional position of the Territories,  
and all Correspondence relating thereto.

*(Printed by Order of the Legislative Assembly.)*

GOVERNMENT HOUSE,  
REGINA, July 20, 1900.

The Honourable,  
THE SECRETARY OF STATE,  
Ottawa, Ont.

SIR.—I have the honour to transmit herewith for submission to His  
Excellency the Governor General, an Address passed by the Legislative Assem-  
bly of the Territories, on the second day of May last, signed by the Speaker.

I have the honour to be, Sir,

Your obedient servant,

A. E. FORGET,  
*Lieutenant Governor.*

To His Excellency the Right Honourable Sir Gilbert John Elliot Murray-  
Kynynmond, Earl of Minto and Viscount Melgund of Melgund, County  
of Forfar, in the Peerage of the United Kingdom, Baron Minto of Minto,  
County of Roxburgh, in the Peerage of Great Britain, Baronet of Nova  
Scotia, Knight Grand Cross of the Most Distinguished Order of St. Michael  
and St. George, etc., etc., Governor General of Canada.

MAY IT PLEASE YOUR EXCELLENCY—

We, Her Majesty's dutiful and loyal subjects, the Legislative Assembly of  
the North-West Territories of Canada, in Session assembled, humbly approach  
Your Excellency for the purpose of representing—

That by The British North America Act 1867 it was (amongst other things)  
enacted that it should be lawful for the Queen, by and with the advice of Her  
Majesty's Most Honourable Privy Council, on Address from the Houses of the  
Parliament of Canada, to admit Rupert's Land and the North-Western Terri-  
tory, or either of them, into the Union on such terms and conditions in each  
case as should be in the Addresses expressed and as the Queen should think fit  
to approve subject to the provisions of the said Act;

That by an Address from the Houses of the Parliament of Canada Her  
Majesty was prayed to unite Rupert's Land and the North-Western Territory  
with the Dominion of Canada;

That in order to further the petition of the Parliament of Canada, Her  
Majesty, under the authority of The Rupert's Land Act 1868, accepted a Sur-  
render from the Governor and Company of Adventurers of England trading

into Hudson's Bay of all the lands, territories, rights, privileges, liberties, franchises, powers and authorities whatsoever granted or purported to be granted by certain Letters Patent therein recited to the said company in Rupert's Land;

That in the said Address it was represented to Her Majesty, as a reason for the extension of the Dominion of Canada westward, that the welfare of the population of these Territories would be materially enhanced by the formation therein of political institutions bearing analogy, as far as circumstances will admit, to those which existed in the several Provinces then forming the Dominion;

That the Houses of the Parliament of Canada by their said address expressed to Her Majesty their willingness to assume the duties and obligations of government and legislation as regards these Territories;

That in pursuance and exercise of the powers vested in the Queen by the aforesaid Acts, Her Majesty, by and with the advice of Her Most Honourable Privy Council, ordered and declared that from and after the fifteenth day of July, 1870, Rupert's Land and the North-Western Territory should be admitted into and become part of the Dominion of Canada, and granted power and authority to the Parliament of Canada to legislate for the future welfare and good government of these Territories;

That by The British North America Act 1871 the Parliament of Canada was further given power from time to time to make provision for the administration, peace, order and good government of any Territory not for the time being included in any Province;

That under the several authorities so given the Parliament of Canada has created political institutions in these Territories bearing a close analogy to those which exist in the several Provinces of the Dominion;

That by the Confederation compact the Provinces which formed the Dominion on the fifteenth day of July, 1870, were furnished with the means of carrying on local self government upon certain well defined bases;

That the Territories being an integral part of the Dominion, and having had imposed upon them the duties and obligations incidental to the political institutions which have been given to them, and which said duties and obligations the Parliament of Canada has declared its willingness to assume, are entitled to such Federal assistance for their maintenance as will bear due proportion and analogy to that given to other portions of the Dominion for similar purposes;

That repeated representations have been made in various ways to the Government of Canada with a view to obtaining just and equitable financial assistance towards providing for the proper and effective administration of local affairs in the Territories and for the public necessities of their rapidly increasing population;

That such representations have been met by intermittent and insufficient additions to the annual grant, the provision so made by the Parliament of Canada never bearing any adequate proportion to the financial obligations imposed by the enlargement and development of the political institutions created by itself;

That it is desirable that a basis should be established upon which the claims of the Territories to suitable financial recognition may be settled and agreed upon;

That we do therefore most humbly pray that Your Excellency will be graciously pleased to cause the fullest enquiry to be made into the position of

the Territories, financial and otherwise, and to cause such action to be taken as will provide for their present and immediate welfare and good government, as well as the due fulfilment of the duties and obligations of government and legislation, assumed, with respect to these Territories, by the Parliament of Canada;

And furthermore that, by The British North America Act 1871, it was (amongst other things) enacted that the Parliament of Canada may from time to time establish new Provinces in any Territories forming for the time being part of the Dominion of Canada but not included in any Province thereof, and may, at the time of such establishment, make provision for the constitution and administration of such Province, we do therefore most humbly pray that Your Excellency will be also graciously pleased to order enquiries to be made and accounts taken with a view to the settlement of the terms and conditions upon which the Territories or any part thereof shall be established as a Province, and that, before any such Province is established, opportunity should be given to the people of the Territories, through their accredited representatives, of considering and discussing such terms and conditions.

All which we humbly pray Your Excellency to take into Your Excellency's most gracious and favourable consideration.

*Speaker of the Legislative Assembly  
of the North-West Territories.*

*Legislative Assembly Chambers,  
Regina, N.W.T., May 2, 1900.*

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DEPARTMENT OF THE SECRETARY OF STATE,  
OTTAWA, July 25, 1900.

His Honour,  
The Lieutenant Governor of the North-West Territories,  
Regina, N. W. T.

SIR,—I have the honour to acknowledge the receipt of your letter of the 20th instant, transmitting, for submission to His Excellency the Governor General, an Address passed by the Legislative Assembly of the Territories, on the Second day of May last, and to state that the matter shall receive attention.

I have the honour to be, Sir,

Your obedient servant,

B PELLETIER,

*Acting Under Secretary of State.*

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OTTAWA, January 30, 1901.

The Hon CLIFFORD SIRTON,  
Minister of the Interior,  
Ottawa, Ont.

SIR,—Following up the discussion between you, Mr. Ross and myself, on the subject of the North-West Assembly Memorial of the Second of May last, I now beg, agreeably to your request, to make a further statement in writing. The Memorial while leading to definite constitutional changes, approaches the subject from the financial point of view and points out how, in the opinion of the Legislature, our legislative jurisdiction and administrative responsibilities have been enlarged and increased out of all proportion to the means placed at our disposal. I need not enlarge on this side of the question, as it has already

been placed very fully before you in the financial statements furnished to you for the past two years by my colleague Mr. Ross. While financial embarrassments rather than constitutional aspirations have led the North-West Government and Legislature to discuss the provincial status I think that sufficient practical reasons can be given for the early establishment of provincial institutions in the West.

We have a rapidly growing population, much larger, as the census will show, than that of British Columbia ten years ago, and than that of Prince Edward Island to-day; a population trained to the exercise of powers of self-government falling a little short only of those enjoyed by the Provinces. For nearly thirteen years the North-West Legislative Assembly has been occupied with founding local institutions and a body of laws suitable to the condition and circumstances of the country. Our parliamentary vote is apparently incapable of expansion at all in proportion to the needs of a rapidly developing country and our powers circumscribed as they are by the necessities of our present anomalous constitutional position, fall short just at the point where further progress demands their exercise.

The Territories have arrived at a point, where, by reason of their population and material development, the larger powers and larger income of a Province have become necessary. I have already in former communications pointed out to you how our limited powers are still more limited by the reservation of subjects such as the Land Titles law, the administration of the Criminal law and the control of the public domain. It is undoubtedly in the interest of any Province or Provinces hereafter to be established, that the important questions surrounding the subject of the public domain should be settled at once, and before any more of the public lands of the Territories are alienated from the Crown.

For these and other reasons which need not be advanced at length, I would ask you to urge the earliest possible action on the part of the Government on the lines suggested and with the object proposed by the Assembly Memorial.

I have the honour to be, Sir,

Your obedient servant,

F. W. G. HAULTAIN

DEPARTMENT OF THE INTERIOR,

OTTAWA, March 21, 1901

Hon. F. W. G. HAULTAIN,  
Regina, Assa.

SIR,—Referring to your communication of the 30th of January, and the conversations which I had with yourself and Mr. Ross in Ottawa, I may say that I realise very fully the difficulties of the position in which the Government and Legislative Assembly of the North-west Territories is placed, and I admit that there is very much in the suggestions which are made in your letter and in the memorial regarding the necessity of a change in the constitutional and financial position of the Territories.

Without at the present moment committing myself to any positive statement I am prepared to say that the time has arrived when the question of organising the Territories on the Provincial basis ought to be the subject of full consideration. It would appear to me that the better way of bringing the matter to a more definite position would be to arrange for a conference upon the subject between the representatives of your Government and a committee of Council representing the Federal Government. I shall be pleased to bring about arrangements for such a conference at any time that is mutually convenient.

Yours faithfully,

CLIFFORD SIFTON.

REGINA, March 30, 1901.

The Hon. CLIFFORD SIFTON,  
Minister of the Interior,  
Ottawa, Ont.

SIR,—I duly received your letter of the 21st instant, from which I was pleased to learn that you are of opinion that the time has arrived when the question of organising the Territories on the Provincial basis ought to be the subject of full consideration, and I will be glad to arrange for a conference upon the subject between representatives of the Territorial Government and the Privy Council at the earliest date convenient to you. The Legislative Assembly has been summoned for the second day of May and, while it would be impossible for us to be absent during the six weeks following that date, I think that it would be well that the discussion should be advanced as far as possible before the Legislature meets.

Yours faithfully,  
F. W. G. HAULTAIN,  
*Attorney General.*

DEPARTMENT OF THE INTERIOR,  
OTTAWA, April 5, 1901.

Hon. F. W. G. HAULTAIN,  
Regina, Assn.

Dear MR HAULTAIN,—I have your letter of the 30th ultimo. I regret to say that with every desire to advance the discussion of matters relating to the status of the Territories I fear that it will be totally impossible for us to have a meeting before your legislature assembles. The latter portion of the Session of Parliament here finds all the Members of the Government extremely busy, and it would be hopeless to expect from them that mature and careful consideration of the various and important subjects which will require to be debated and settled in connection with the establishment of the Territories as a Province or upon a Provincial basis. I think I shall therefore be compelled to ask you to defer the discussion until after Parliament has prorogued.

Yours faithfully,  
CLIFFORD SIFTON.

REGINA, June 4, 1901.

Hon. CLIFFORD SIFTON,  
Minister of the Interior,  
Ottawa.

Can you arrange early meeting for us with Sub-committee of Council before Ministers disperse for summer. Any time after fifteenth will suit us.  
F. W. G. HAULTAIN.

OTTAWA, June 5, 1901.

Hon. F. W. G. HAULTAIN,  
Regina.

It is impossible to settle date of conference now. Finance Minister must be present. He has gone to England and is not expected back until August.  
CLIFFORD SIFTON.

REGINA, August 10, 1901.

Hon. CLIFFORD SIFTON,  
Gananoque.

Could you fix approximately date of conference. Want to make some appointments and will save trouble if we know about date.

ARTHUR L. SIFTON.

GANANOQUE, August 14, 1901.

Hon. A. L. SIFTON,  
Regina.

I think about the first week in October.

CLIFFORD SIFTON.

EXECUTIVE COUNCIL.

REGINA, DECEMBER 7th, 1901.

The Right Honourable

SIR WILFRID LAURIER, G.C.M.G.,  
*President of the Council,*  
Ottawa, Ont.

SIR,—In response to the request made by the sub-committee of the Privy Council convened to consider the matters referred to in the Address to His Excellency the Governor General in Council presented by the Legislative Assembly of the Territories pursuant to Resolutions adopted on the Second day of May, 1900 (a copy of which is attached hereto), I have the honour to submit, on behalf of the Government of the Territories, the following statement of the present position as it appears to us, together with such remarks as seem to be necessary to properly set forth the reasons which led the Assembly to request that enquiries be made and accounts be taken with a view to the establishment of provincial institutions within that portion of the North-West Territories lying between the Provinces of Manitoba and British Columbia.

For a number of years back the attention of the Dominion Government has annually been directed to the necessities, financial and otherwise, of the Territories, in the estimates submitted through the Honourable the Minister of the Interior. Occasion has always been taken to set forth, as briefly as possible but necessarily with some considerable detail, the difficulties met with in the administration of affairs in the Territories. The documents submitted, I understand, were presented to Parliament during its last session, so that their tenor will no doubt be familiar to you, and it will not be required that the matters they dealt with shall be repeated here. Put in the briefest possible form, the position is simply this: The population of the Territories has been and is increasing so rapidly as the result of the efforts put forth by the Immigration Branch of the Interior Department that the means at the command of the Territorial Government are far from being sufficient to enable it to properly administer the affairs of the country. The increase in the population has increased our work and expenditures by a rate far greater than can be measured by the mere increase in the number of the people. Immigration in other parts of the Dominion has resulted largely in adding only to the population in settlements and towns previously in existence: in the Territories it is not so. New settlers in the North-West seem desirous to pass by the settlements already opened up and to become pioneers in districts removed as far away as practicable therefrom. The new settlements



are too small and the settlers are too widely scattered to bear the burdens which necessarily go with the opening up of a new country, and the fact cannot be disguised that they must be assisted to do so if the people are to become contented and prosperous, or even retained in the country. Bridges or ferries must be provided where it is necessary to cross rivers to reach market points. Where difficulty is met with in procuring an adequate water supply the Government has found it necessary to procure and operate machinery at considerable expense in order to sink public wells, or—as has been found practicable in some districts—to construct reservoirs in valleys or other natural depressions in order to conserve the surface water for the use of stock and even, in some instances, for domestic purposes. Wherever water courses run in the Territories the valleys are deep, the banks being often precipitous. These have the effect of rendering the ordinary road allowances, as laid down by the Dominion lands system of survey, impossible. They cannot be travelled and new roadways have to be provided, generally at considerable expense for right of way and construction. These are but a few of the difficulties which the Government of the Territories is called upon to find a means of ameliorating. There are others which it would appear to be needless to take up your valuable time by enumerating in detail, as it may be said they are all of the same character, being hindrances and drawbacks to the settlement of the country. In the older settled districts other difficulties arise. Where the people have advanced beyond the pioneer stage they often find themselves handicapped for lack of proper transportation facilities in order to place their produce upon their markets. Roads may be made, but when grain and dairy produce have to be hauled twenty, thirty and at times a greater number of miles in order to reach a market or shipping point, no matter how good the road may be the return for the farmer's labour and use of his capital will show a tendency to pass the vanishing point.

It is thought that sufficient has been said to indicate to you the position in which the Government of the Territories finds itself. In addition to the work of administration which devolves upon all Governments, there is a constant—and hitherto, it must be admitted, lamentably ineffectual—struggle to keep pace with the work caused by the rapid development of the country by reason of the great increase in the population. It may be thought that the people ought to do this work for themselves, as to them will accrue the benefits, but whilst I am disposed to agree to the general proposition that, under ordinary conditions, the question of the provision of what may be called local public improvements is a matter of purely local and sectional concern, yet I am confident that you will readily recognise that the conditions at present existing in the Territories are far removed from being ordinary. After the subsidence of the first movement of people into the Territories consequent upon the completion of the Canadian Pacific railway, the influx of population for a number of years did not proceed at the rate so noticeable of late, and no very great difficulties were met with in dealing with the conditions as they then existed. With the means provided in those days the Government was in an infinitely better position than is the case now, notwithstanding the fact that the grants made by Parliament for Government in the Territories have been materially increased upon the representations made to the Dominion Government from time to time. The public necessities are not created so much by the mere fact that thirty, forty or even fifty thousand people may be added to the population in any one year; but rather to the certainty that nearly every small group of new settlers, united by any tie whatever, means practically the opening up of a new settlement. We have no congested communities in the Territories. In some districts the land available for homestead purposes has practically all been taken up, but they are very few in number and extremely limited in area, and there is no

evidence of any disposition amongst the people now coming to us to locate in districts already settled. I do not desire to press this point unduly, and I think that it will be made abundantly clear by a brief consideration of the following statement respecting the number of school districts and the annual increase during the past few years :

From the date of the passage of The School Ordinance in 1884 to the end of 1896, school districts were organised to the number of . . . . .				436	
At the end of 1897 there were . . . . .				457	an increase of 21
"	1898	"	. . . . .	480	" 23
"	1899	"	. . . . .	524	" 44
"	1900	"	. . . . .	576	" 52
At the present time, besides 35 districts in process of erection, there are . . . . .				649	" 73

These figures give some idea of the number of new settlements that have been opened up within the past five years though it is not intended to convey the impression that the school districts represent all the settlements in the country, as there are a number, mostly opened up but recently, where the pressure of the struggle for mere existence has prevented any attempt being made to establish schools, notwithstanding the efforts of the local Government in that direction.

I have spoken of the number of the settlements in the Territories, and, as I have said, these are not only small for the greater part and far removed one from the other, but the people themselves are scattered widely. In very few districts have the people begun to emerge from what may be referred to as the pioneer form of existence, and the creation of anything but the simplest and most elementary organisations amongst them is impracticable. We have, however, succeeded in bringing such organisations into existence, notably in our school districts and local improvement districts. Through their means we have been enabled to call upon the people for all that it is possible to expect of them. Further additions to the public taxation might possibly be made, but good and sufficient reasons exist why they should not. In the first place, it would be calculated to militate against the work of the Dominion Government in seeking to induce people from other lands to come and settle down amongst us. After all is done and said the real and most successful immigration agent is the contented settler, and a heavy rate of taxation, no matter how necessary, is not calculated to satisfy the man who is struggling to make a home in this undeveloped country. Then again, to require the people of the Territories to carry on the work of opening up and developing the country would not be to treat the early settlers in the North-West in the manner in which the people of the older Provinces have been treated. I need hardly remind you that on the completion of the Confederation of the Provinces of Upper and Lower Canada, Nova Scotia and New Brunswick, the new Dominion immediately found itself in the possession of a debt amounting to \$93,000,000 of which sum only about \$17,000,000 could be shown to be represented by assets in any form or at any value whatever. It would be difficult at this date to state with any degree of certainty in what manner and for what purposes the Provinces originally forming the Confederation had created the debts they transferred to the Dominion, but I can refer you to the statement of Mr. (afterwards Sir) Alexander Galt, the Finance Minister in the last Government of the old Province of Canada, made in his speech upon the discussion of the Quebec resolutions. Mr. Galt, in presenting the financial aspect of the Confederation question to the House, said :

" . . . . It is necessary for us to review the liabilities of each Province, the reasons why they were incurred, the objects which have been sought. In



doing so, the House will not fail to remark that the same policy has animated the Legislatures of all the Provinces, or perhaps I should speak more exactly in saying those of Canada, New Brunswick and Nova Scotia. The public debt of all these Provinces has, with some slight exceptions, been incurred for public improvements, intended to develop the resources of the country, to attract immigration and wealth to their respective shores, to cheapen the means whereby the products of their farms were to be taken to market, and to reduce the cost of freight of articles which enter largely into the consumption of their inhabitants."

This statement appears to have passed without contradiction, and it may therefore be accepted that some considerable portion of the net debt of Canada on July 1, 1867, amounting to \$75,728,641, has been created by expenditures for the purposes described by Mr. Galt. This debt is still unpaid, and its cost is borne by every person in Canada who contributes in any form to the revenue of the Dominion, whether he resides within the boundaries of the Provinces for whose benefit the money borrowed was expended, or elsewhere. These provincial debts, too, it must not be forgotten, represent expenditures made over and above the expenditures rendered possible by the public revenues. You will, I trust, pardon me if I press your attention to the different manner in which the Dominion looks upon the development of the North-West. All our public revenues go to swell the Consolidated Fund of Canada, our public domain is employed for purely Federal purposes, and we are not permitted to draw on the future. Our revenues are rigidly limited for all practical purposes by the grants annually made by Parliament for "Government of the North-West Territories," and we are not even entrusted with the expenditure of the whole amount of that sum. The grants made have never been considered from the view point of the requirements of the Territories. Carefully and economically prepared estimates of the cost of public requirements have been annually forwarded to Ottawa, but provision has never yet been made for the actual and crying necessities of the country. Last January we asked for a grant of \$600,000, based upon closely considered details. Parliament met the request by appropriating the sum of \$357,979 to meet the case. As a result, from one end of the country to the other complaints are rife as to lack of transportation facilities—roads, bridges, ferries, drains and other similar necessities—to permit not only old settlers to travel, but to enable new settlers, brought into the country by Dominion officials, to reach the locations to which their attention had been directed and which had been selected for their future homes. Expenditures, and large expenditures, too, are as urgently and imperatively required in the North-West to-day for "public improvements," "to develop the resources of the country," "to attract immigration" without speaking of "wealth," "to cheapen the means whereby the products of the farm are to be taken to market," as they ever were in the old Provinces of Canada, Nova Scotia or New Brunswick, and it does not seem at all inappropriate, in view of the circumstances, that Canada should provide the money for those purposes, for it is Canada at large, and not the North-West in particular, that will most benefit by the attraction of desirable immigrants to the country.

One other objection to the introduction of a sufficiently heavy rate of taxation to meet the general public requirements is found in the fact that the cost of a large number of the public works we are now constructing should properly be chargeable to capital expenditure. As we have no capital account, having no power or authority to utilise the public credit in any way, we are compelled to devote an unreasonably large part of our limited annual income towards defraying the cost of such works, instead of spreading the expenditure over a term of years. You will at once perceive that it would be an undoubted hardship upon the people who are now here were they required to tax themselves for the cost

of such works. They would not only be compelled to bear the cost of rendering the country habitable for themselves, but at the same time to develop it for the benefit of those who are yet to come, instead of being enabled to place part of the cost upon those who will benefit by the results of the expenditure. Besides, such works not only serve the purpose of providing public conveniences and improvements, but every dollar spent upon them enhances the value of the lands held for various corporations by the Dominion Government, and which do little or nothing to assist in the work. This is felt to be a public grievance, but is one which, I am glad to learn, the Government is making an earnest endeavour to remove as far as is at present practicable.

Our financial difficulties, though the most serious which we have to meet, are not the only ones, nor are they more pressing or important in their bearing than others to which I have the honour to direct your attention. I will be brief in doing so though I have no desire to minimise their importance. They might for the purposes of consideration be divided into two classes, those, namely, which relate to our administrative work and those others which relate to our legislation, but having pointed out that possible distinction I do not think it will be necessary to deal with the questions involved in detail. The North-West Territories Act, by which our constitutional powers are defined, derives its authority from that section of The British North America Act 1871 which gives to the Parliament of Canada power to make provision for the "administration, peace, order and good government" of the Territories. Under that authority from time to time, step by step, power by power, and in keeping with the spirit of the representations made to Her late Majesty by Parliament when the intervention of the Imperial authorities was sought in order to have Rupert's Land brought into the Dominion, Parliament has built up in the Territories "political institutions bearing analogy, as far as the circumstances" probably admitted, to those which existed in the several Provinces forming the Dominion in 1867. Section 42 of The British North America Act 1867 and Section 13 of The North-West Territories Act as it has been amended from time to time run along almost identical lines, but there are omissions in and additions to The North-West Territories Act which for many purposes render futile the powers which it professes to give. I might instance the power given to the Assembly by the Act to pass Ordinances with respect to "property and civil rights." In the face of the enactment by Parliament of The Land Titles Act 1894 it will be realised that with respect to land, which forms by far the most visible form of "property" in the North-West, the Legislative Assembly is powerless. With respect to the administrative difficulties created by our Territorial position I will do no more than refer to the fact that public necessities and the exigencies of the case have required us to practically duplicate much of the administrative work now being carried on for the Territories by the Dominion, and will refrain from doing more than instancing the work called for in the administration of justice as a case in point.

The impossibility of continuing the present system upon its present basis must be self-evident. On the one hand, our limitations—rigidly fixed by Parliament in some instances and equally firmly placed by circumstances in others—preclude our doing for ourselves the things that ought to be done, and, on the other hand, Parliament makes no effort to assist us with even an approximate degree of adequacy. I have spoken of the work to be done by the Government of the Territories as being "ours," but I am satisfied that you realise as fully as we do that the work is only ours to do, as the doing of it and whatever may be accomplished when it is done will all redound to the credit and be for the benefit of Canada. We have been moderate in our requests for means to carry on the work given to us to do, and the successive annual failures of Parliament to meet the requirements have now brought us face to face with

covered public necessities far and away beyond our means to cope with. The Legislative Assembly has prayed that His Excellency will be pleased to make enquiry into the position of the Territories and to cause action to be taken to provide for their present and immediate welfare and good government. What can be done? In the first place I have to assure you that the present condition of the Territorial Treasury demands that a sum of not less than \$465 000.00 be available to fore the close of the current Dominion fiscal year in order to enable us to even attempt to perform our public duties during the first half of 1902. I want to state that some Parliament has already made an appropriation out of which \$ 75 242.50 will be available and which we may possibly be able to increase by \$15 000.00 from other sources. We thus have a depleted Treasury to meet a deficit which in six months from now will amount to at least \$1 000 000.00. We can only look to Parliament for this money. It is not possible for us to obtain it here or elsewhere to make any attempt to do so. The public work must go on and the longer it does so under existing conditions the further behind will we fall. This position is not one upon which either the Government or the Legislative Assembly of the Territories can look with equanimity and I am convinced that once it is realized by the Dominion Government it will not be permitted to continue. Neglect to furnish prompt relief cannot but have the effect of neutralizing the efforts of the Dominion to people the Territories and it does not seem to me to be probable that Parliament, after making generous provision for carrying on the work of inducing immigration to the Territories, will be dissatisfied in providing for assisting to retain the people so brought here.

Granting that the foregoing statement has the effect which we earnestly trust it will have and that we shall receive your assurance that our present financial necessities will be relieved as much as Parliament can be asked to make the necessary provision thereof, what then? How shall the future requirements be met? From official announcements made on different occasions we are led to the belief that there are great prospects of larger and more extensive movements of people towards the North West than any yet seen. Will Parliament be able to provide the means for carrying on the work we have to be necessarily making increases in the grants made for the purpose bearing some proportion to the increases in the numbers of the people coming to us as well as capital to permit the important work to be carried on? If so, well and good. The Legislative Assembly has suggested that the time has arrived when some consideration be given to this question and by its Address before cited has asked that enquiries be made and accounts taken with a view to the settlement of the terms and conditions upon which the Territories or any part thereof shall be ceded thereto as a Province. This request is made in the belief that such an enquiry will make it clear that the establishment of a Province in the Territories upon equitable terms will relieve the Dominion of any necessity for anxious consideration of Territorial questions. It is thought that the time is opportune for looking into this matter. Our official machinery is now upon a working basis and it does not appear that any disturbance of equilibrium can result from the operation of the increased powers and added duties that will follow the change. The present tentative nature of much of our legislation and some of our public institutions can be amended by the introduction of measures tending to place them upon a permanent footing which work can be better done in the near future than at a time when the weakness and ineffectiveness of much of our work do but cause anxiety referred to have had time to create public dissatisfaction and uneasiness. During the consideration which I have no doubt will be given to this part of the report of the Legislative Assembly there are some matters which we respectfully submit should receive most careful and thorough examination. It goes without saying that the principles of The British North America Act will form the basis of the constitu-

tion of any Province created. We seek for no advantages over any other Province, and we do not anticipate that we will be denied any privilege given elsewhere. After giving some earnest thought to the matter of presenting this part of the subject as desired by the sub-committee of the Privy Council I have concluded that I cannot do so in any better manner than by submitting the views of the Executive Council of the Territories in the form of a draft Bill, in which the several points we would like to have brought to an issue are duly set forth, making such comment upon the principles involved as occurs to me in connection with each section or group of sections, and from this point onwards this communication will take the form thus indicated.

No. ]

BILL

[ 1902.

**An Act to Establish and Provide for the Government of the Province of**

His Majesty by and with the advice and consent of the Senate and House of Commons of Canada enacts as follows :

1. On, from and after the first day of January 1903, that portion of the territory known as Rupert's Land and the North-Western Territory admitted into the Union or Dominion of Canada by Her Majesty Queen Victoria by and with the advice and consent of Her Majesty's Most Honourable Privy Council by Order bearing date the twenty-third day of June, 1870, under the authority of the 146th section of The British North America Act 1867 described as the Provisional Districts of Assiniboia, Saskatchewan and Alberta as the said districts are defined by Orders of His Excellency the Governor (General) of the Dominion of Canada made in Council on the eighth day of May, 1882, and the second day of October, 1895, respectively, and that portion of the Provisional District of Athabasca, as the said district is defined by Order of His Excellency the Governor General of the Dominion of Canada made in Council on the eighth day of May 1882, and the second day of October, 1895 respectively lying to the south of the fifty-seventh parallel of north latitude, shall be formed into and be a Province which shall be one of the Provinces of the Dominion of Canada and which shall be called the Province of

MEMO.—In considering the question of the area to be included in this Province it may be claimed that the area proposed is too large for one Province. In this connection it should first be noted that the proposed area when compared with several of the other Provinces of the Dominion stands as follows —

Quebec. . . . .	347,000 square miles.
Ontario . . . . .	220,000 " "
British Columbia . . . . .	383,000 " "
Proposed Province. . . . .	404,000 " "

From this comparison it will be noted that the proposed Province contains an area considerably larger than that contained in either of the three other Provinces mentioned, but it must be remembered that a large portion of the district of Athabasca and of the northern and eastern portion of Saskatchewan proposed to be included in the new Province will never, owing to situation or physical features, or both, contain anything more than a very small and scattered population. The area which it is proposed to include in the new Province is practically the area administered by the present Territorial Government and the experience of the past few years has indicated that there is no difficulty in properly administering the area from one centre.

The present cost of the Government "machine" in the Territories is proportionately much less than in the older Provinces above mentioned and although the full provincial powers will bring with them added duties and necessitate extensive additions to some of the present Territorial departments, these additions can easily be made and the departmental machinery extended to cover these services.

Our present cost of Government only amounts to ten per cent. of the annual Territorial expenditure, which is much less than the percentage of charge for this service in the older Provinces and indicates that the present machinery of Government is well suited to the requirements of the country and can be extended much more cheaply and satisfactorily than any new Government departments can be organised.

The people in the provisional districts now administered by the Territorial Government, and which it is recommended should form the new Province, are well acquainted with and satisfied with the present Territorial laws and their administration, and there certainly does not seem anything to gain from a multiplication of Governments in the area proposed to be created into a Province.

The area in question, of course, contains much diversity of climate, soil, and other physical conditions which render it difficult to legislate in such a manner as to make the laws equally suitable to all portions, but no matter what division of the Territories might be made this condition would still exist and these difficulties have been fully realised and provided for in the existing Territorial laws.

2. On from and after the said first day of January 1903, the provisions of The British North America Act 1867, except those parts thereof which are in terms made or by reasonable intendment may be held to be specially applicable to or to affect only one or more but not the whole of the Provinces under that Act composing the Dominion, and except so far as the same may be varied by this Act, shall be applicable to the Province of \_\_\_\_\_ in the same way and to the same extent as they apply to the several Provinces of Canada and as if the Province of \_\_\_\_\_ had been one of the Provinces originally united by the said Act.

MEMO—This is the provision adopted on the incorporation of each of the Provinces since the Union.

3. The said Province shall be represented in the Senate of Canada by four members until it shall have according to decennial census a population of two hundred and fifty thousand souls and from thenceforth it shall be represented therein by five members and thereafter for each additional increase in population of fifty thousand souls according to decennial census there shall be an increase of one member in its representation until it is represented by twenty members.

MEMO—This provision partially assumes a basis of representation by population which is not the usual basis for an upper chamber, or the basis applied at Confederation, but it was the basis adopted with certain limitations when Manitoba was formed, two members being given for the then population of 17,000 to be increased to three for a population of 50,000 and the ratio for subsequent representation being fixed at 25,000 practically one-half the ratio in the present instance from the commencement. The maximum number is reasonable on the basis of representation fixed by the Confederation Act, by which the country was divided into districts not equal in area.

or population but representative of different interests. The prairie portion of the country consisting of Manitoba and the proposed province comprises a division of the country as different in conditions and interests from the other portions of the country as the divisions under the Confederation Act, and the representation under this Act and The Manitoba Act would give it the same representation as each of the other divisions, while the limitation of twenty as compared with Manitoba's four seems reasonable on comparison of the areas and probable future populations.

4. The said Province shall be represented in the first instance in the House of Commons of Canada by ten members and for that purpose shall be divided by Act of Parliament or by Proclamation of the Governor General into ten electoral districts each of which shall be represented by one member. Provided that on the completion of each decennial census hereafter the representation of the said Province shall be readjusted according to the provisions of the fifty first section of The British North America Act 1867.

MEMO — By The Manitoba Act passed in 1870 Manitoba was given a representation of four members in a House to be elected in two years. The census taken in the following year showed a population of 18,895 which would have entitled her to one member. In 1881 the population had increased to 62,260, entitling her to three members. British Columbia, admitted in 1871 with a population of 36,247 entitling her to two members, was given six. In 1881 the population was 49,439. The Territories are now entitled on the basis of redistribution under The B. N. A. Act 1867 to six members and the present rate of immigration and the prospects of immediate increase, which are much more promising than in the case of either Manitoba or British Columbia, which were given respectively four and three times the members they were entitled to on the same basis, would seem to indicate that the number of ten or twelve members in a House which is not to be elected for three or four years, even if at all in the direction of being too few rather than too many. Even at the present moment the immigration for the year just about to close will give an estimated increase of more than 25,000 to the population as shown by the census lately taken.

5. The Executive Council of the Province shall be composed of such persons and under such designations as the Lieutenant Governor shall from time to time think fit.

MEMO — This is exactly the same provision as that contained in The Manitoba Act except as regards the limit in number in the first instance to five, which appears uncalled for.

6. All powers, authorities and functions which under any law or custom which were before the coming into force of this Act vested in or exercisable by the Lieutenant Governor of the North West Territories with the advice or with the advice and consent of the Executive Council thereof or in conjunction with that Council or with any member or members thereof or by the said Lieutenant Governor individually shall as far as the same are capable of being exercised after the coming into force of this Act be vested in and shall or may be exercised by the Lieutenant Governor of the Province of with the advice or with the advice and consent of or in conjunction with the Executive Council or any member or members thereof or by the Lieutenant Governor individually as the case requires subject nevertheless to be abolished or altered by the Legislature of the Province.



**MEMO.**—The provision of this section is practically the same as that contained in the 6th section of the Confederation Act in relation to Ontario and Quebec and while there is no similar provision in the case of any of the other provinces then or afterwards admitted they stand on a different footing inasmuch as all of them except Manitoba, which had had no previous existence were self governing colonies with Governors directly representing the Crown, whereas the North West Territories have for years had a Lieutenant Governor exercising certain functions which as well as the existence and status of such Lieutenant Governor are purely the creation of a Dominion Act and the section as proposed would settle any question which might arise with regard to the authority of the Lieutenant Governor of the Province in respect to functions exercised by the Lieutenant Governor of the Territories.

7. Unless and until the Executive Government of the Province otherwise directs the seat of Government of the same shall be at  
(See memo. following Section 8.)

8. There shall be a Legislature for the Province consisting of the Lieutenant Governor and of one House styled the Legislative Assembly of

**MEMO.** Sections 7 and 8 are the provisions of The British North America Act sections 64 and 65, and The Manitoba Act, sections 8 and 9, on this subject. The location of the provincial capital is a matter of local concern and can only be finally decided upon after the creation of a Province. In the meantime, for practical reasons, the seat of Government will remain as it is.

9. The constitution of the Legislature of the North West Territories as it exists on the first day of January 1903 shall subject to the provisions of this Act continue to be the constitution of the Legislature of the Province of  
until altered under the authority of this Act and the Legislative Assembly of the said Territories existing on the said first day of January, 1903, shall unless sooner dissolved continue as the Legislative Assembly of the Province of until the completion of the period for which it was elected.

**MEMO.** When The British North America Act 1867 came into effect, there were of course no Legislative Assemblies in Ontario or Quebec, and in Nova Scotia the Assembly was dissolved. In New Brunswick however an Assembly existed and provision was made by section 88 of The British North America Act 1867 similar to that contained in this section for its continuance. The Assembly of the Territories occupies the same relation to the Province that the Assembly of the then Province of New Brunswick did to the Province under Confederation and it seems fitting that the same provision should be made.

10. In and for the Province the said Legislature may exclusively make laws in relation to irrigation and subject to any rights acquired under any Act of the Parliament of Canada before the first day of January 1903, the property in and the right to the use of all the water at any time in any river stream, watercourse lake creek ravine canyon lagoon swamp marsh or other body of water shall on from and after the said date belong to and be vested in the Province unless and until and except only so far as some right of some person therein or to the use thereof inconsistent with the right of the Crown and which is not a public right or a right common to the public is established.

**MEMO.** This section provides that laws relating to irrigation shall be made exclusively by the Province and transfers title to all water to the Province. It is assumed in discussing this section that if the Province

be created without special provision for this matter that the title to the water in unnavigable streams and lakes would under ordinary terms of The British North America Act pass to the Province but that the title to navigable waters would remain in the Government of Canada. This would make systematic irrigation impossible without joint legislation.

It has been clearly proved and admitted by the Dominion Government that in a large section of the Territories to be included in the new Province irrigation is a necessity.

This necessity exists in only a portion of the proposed Province and is therefore a local need which must be dealt with in the same way as other "local" needs in other portions of the proposed Province and under Provincial control and administration.

It is admitted by those interested that the success which has already attended the introduction of irrigation undertakings in the Territories is largely due to the careful government control which has been exercised of the record and use of water rights and that such control can be best administered from local government sources. This was being done some years ago by the Dominion Government when the delegation of the administration of The North West Irrigation Act to the Territorial Commissioner of Public Works was made.

If, as has been assumed, the new Province will under the terms of The British North America Act own the water in unnavigable streams and lakes, the present provisions of The North West Irrigation Act dealing with the title to such water will of course have to be repealed and unless the provision contained in section 10 of the proposed Act becomes law there will at once be a clash between the Dominion Government and the Provincial Government regarding the use of water for irrigation. This difficulty will arise owing to uncertainty as to the streams or other bodies of water which are navigable and must be dealt with by the Dominion and the other bodies of water which will become the property of the Province and can only be dealt with by the Province.

In the Irrigation States and Territories to the south of the new Province one of the greatest drawbacks to irrigation development has resulted from litigation as to the title to water rights and this difficulty can only be abolished in the new Province by continuing the present exact and carefully administered system of Government control and record of water rights and that system cannot be continued if there is any question as to which Government (Dominion or Provincial) is entitled to deal with these water rights.

The difficulty could of course be overcome by special provision being made in the Act, reserving the title to all water to the Dominion but if this were done the new Province would be treated on an entirely different basis from the other provinces of the Dominion including Manitoba, and would be precluded from dealing with a matter which as has been stated is a purely local one, and which experience has proved can best be dealt with by a department in close touch with the people interested.

The provisions of the section are taken from the Federal Irrigation Act of 1895, section 2, but vesting in the Province all water rights.

11. In addition to all other powers the Legislative Assembly of the Province shall have the powers conferred on the Legislative Assembly of the North West Territories by the nineteenth section of chapter twenty-two of the Acts

of the Parliament of Canada passed in the fifty-fourth and fifty-fifth years of the reign of Her Majesty Queen Victoria.

**MEMO.**—The object of this section is to continue in the new Province certain powers respecting legislation on the subject of the importation, etc., of intoxicating liquors conferred on the Territories by The North-West Territories Act, and which would not be comprised in the general powers under The British North America Act 1867.

**12.** The Judges of the Courts of the Province shall be selected from the bar of the Province or from the bar of some other Province in which the laws relative to property and civil rights and the procedure of the Courts are the same as in the Province of

**MEMO.**—This section contains exactly the same provision as is contained in section 97 of The British North America Act 1867, as regards the Provinces whose system of law was founded on the English common law.

**13.** Except as otherwise provided by this Act all laws in force in the North-West Territories on the first day of January, 1903, and all Courts of civil and criminal jurisdiction and all legal commissions, powers and authorities existing therein on the said date shall continue as if this Act had not been passed, subject nevertheless (except with respect to such as are enacted by or exist under Acts of the Parliament of Great Britain or of the Parliament of the United Kingdom of Great Britain and Ireland) to be repealed, abolished or altered by the Parliament of Canada or by the Legislature of the Province according to the authority of the Parliament or of the Legislature under this Act.

(See memo. following section 14.)

**14.** All public officers and functionaries, judicial, administrative and ministerial, holding office in the North-West Territories on the first day of January, 1903, shall continue to hold such office in the Province of with the same duties and powers as before until otherwise ordered by the Governor General of Canada or the Lieutenant Governor of the Province according to the authority of the Governor General or the Lieutenant Governor under this Act.

**MEMO.**—Sections 13 and 14 contain the necessary provisions for continuing the laws, courts, officers, etc., and are the same as contained in section 129 of The British North America Act 1867, here divided into two sections, the words of section 129 not appearing to be very appropriate as applied to officers.

**15.** Until altered by the Lieutenant Governor in Council the Seal of the North-West Territories shall be the Great Seal of the Province of

**MEMO.**—This is a simple provision to prevent the Province being without a seal until one can be provided, and conforms to that of section 136 of The British North America Act 1867.

**16.** The penitentiary situate in the Province of Manitoba shall until the Parliament of Canada otherwise provides be the penitentiary for the Province of

**MEMO.**—This section continues the penitentiary arrangements at present in force, as was done in the case of the then Provinces by The British North America Act 1867.

**17.** Nothing in this Act shall in any way prejudice or affect the rights or properties of the Hudson's Bay Company as contained in the conditions under

which that company surrendered Rupert's Land to Her Majesty Queen Victoria, and all rights, privileges and properties conferred on Canada by the said conditions shall in so far as they relate to matters within the legislative authority of the Province belong to and be vested in the Province.

**MEMO.**—Provision for the rights of the Hudson's Bay Company was thought to be necessary in the case of Manitoba (see Manitoba Act, section 34) and is therefore continued in the present Act. The latter provision of the section, though not in The Manitoba Act, seems desirable, particularly in view of the fact that at present the Hudson's Bay Company has denied the right of the Territories to take without compensation lands required for roads through reserves, which right is given to Canada by the conditions of surrender.

**18.** All lands belonging to the Crown situate in the Province of other than lands reserved by Statute or Order in Council for the use of Indians or for and earned by any person or corporation and lands entered for homestead or pre-emption but not granted and all sums due and payable on the first day of January 1903 for such lands shall belong to the Province  
(See memo. following section 21)

**19.** All mines minerals timber and royalties belonging to the Crown situate, being or arising in the Province of and all sums due and payable on the first day of January, 1903 for such mines, minerals, timber or royalties shall belong to the Province  
(See memo. following section 21)

**20.** The Province shall receive and retain all the public property of the North-West Territories not otherwise disposed of in this Act.  
(See memo. following section 21)

**21.** All buildings in the North-West Territories belonging to Canada used or intended for court houses jails and land titles offices and for residence and offices of the Lieutenant Governor and Government of the North-West Territories together with all appurtenances connected therewith and all moneys the proceeds from the sale or leasing of school lands in the North-West Territories and all moneys forming the assurance fund under the provisions of The Territories Real Property Act and The Land Titles Act 1894 shall be the property of the Province of

**MEMO.**—Sections 18, 19, 20 and 21 deal with the public property within the proposed Province and provide, as far as the circumstances appear to admit, for an arrangement analogous to that which obtains in the several Provinces originally forming the Confederation. The right and title to the public domain is in the Crown but in the Colonies directly established by Great Britain the beneficiary interest in the revenues arising from the sale or other disposal of the public domain has been surrendered by the Crown for the benefit of the people residing in such Colonies. The Union Act of 1840 specifically provided that the territorial and other revenues then at the disposal of the Crown should be placed in future at the disposal of the province of Canada then being formed. Similar dispositions were made, either by Statute or by the exercise of the royal prerogative, in favour of the other colonies in British North America. The British North America Act continued these arrangements for the benefit of the Provinces forming the Confederation, and the sections of the Bill under reference provide for the extension of the principle to the Province of which it purports to provide for the formation.

It may be noted that there has been no legislation or exercise of the royal prerogative transferring to Canada or otherwise any right to enjoy the beneficiary interest in the territorial revenues of the North West Territories. The fifth section of Rupert's Land Act 1868, like the Order in Council of June 24 1870 for which it is the authority goes no further than to provide that upon the admission of Rupert's Land into the Dominion, "it shall be lawful for the Parliament of Canada . . . to make, ordain and establish within the land and Territory so admitted . . . all such laws, institutions and ordinances, and to constitute such courts and officers, as may be necessary for the peace order and good government of Her Majesty's subjects and others therein." The words of the Order in Council dealing with the admission into the Union of that part of the North West Territories formerly known as the North Western Territory are more sparing as to number but appear to convey a somewhat wider extent of power, as they not only provide for the "good government" of the Territory, but also its "future welfare," at the hands of Canada. With the exception of the grant made to the Hudson's Bay Company by the Imperial Order in Council of June 23, 1870, section 30 of "An Act to amend and continue the Act thirty two and thirty three Victoria, chapter three and to establish and provide for the Government of the Province of Manitoba" confirmed by The British North America Act 1871 appears to be the only authority under which any portion of the rights of the Crown in Rupert's Land or the North Western Territory has ever been alienated. The Act last referred to is the Act under the authority of which the Parliament of Canada has from time to time made provision for the administration peace order and good government" of the North-West Territories, being a "territory not for the time being included in any province," and it is also the Act under which Parliament will provide for the "constitution and maintenance of any . . . province" which may be established, "and for the passing of laws for the peace order and good government of such province . . ."

The difference between legislative jurisdiction and proprietary rights was clearly set down by Lord Herschell in the judgment of the Judicial Committee of the Privy Council in the *Fernes* case but it may be admitted that the necessities of administration and the duties and obligations of government and legislation as regards these Territories" assumed by Parliament, together with the established Imperial practice in such cases would probably though not necessarily carry with them the privilege of appropriating the territorial and other revenues of the Territories for the purposes of maintaining good government and furthering the ends of legislation. Upon the formation within the Territories of the promised political institutions bearing energy to those which exist in the several provinces of the

Dominion" it is admitted that whatever interest Canada may have had or exercised in respect of the territorial revenues will devolve upon the Province. As Great Britain has divested herself for the benefit of her Colonies of all her proprietary rights in the public domain within those Colonies so it is thought Canada should do with respect to any claim that may be preferred in behalf of the Dominion to the beneficiary interest in the public domain within that part of the North West Territories to be included in any Province to be established.

It may be that the Government of Canada will admit the principle contended for above on behalf of the people of the North West Territories who may be included within the limits of any Province to be created, but will argue that it will not be in accord with established public policy for the Dominion to invest itself of the almost largely advertised abroad to grant lands to actual settlers upon almost nominal conditions. Such appears to have been the view adopted in 1884 by the Government of the day with respect to certain similar representations then made by the province of Manitoba. The validity of the claim was admitted by the agreement to recompense the Province for the loss of its public property. It is not deemed necessary here, at this stage, to discuss any such proposition further than to point out the one fact that, should the Dominion withhold from the Province, for the benefit of Canada at large, the right to administer the public domain within its boundaries and to enjoy the revenues therefrom the addition of each new settler, or—what experience has shown to practically almost amount to the same thing—the opening up of each new settlement, will impose a burden and financial strain upon the revenues of the province altogether out of proportion to any revenue derivable on account of such settler or settlement, and one that can only be met by an early appeal to extensive direct taxation. The last issue of the Statistical Year Book gives the following rates of government expenditure per head in the several provinces—Ontario, \$1 74, Quebec \$2 74, Nova Scotia \$2 04, New Brunswick \$2 47, Manitoba, \$4 58, British Columbia \$9 48, Prince Edward Island \$2 82. In the year 1900 the expenditure of the Government of the North West Territories was limited to \$477,374 22 for the simple reason that no more money was available for expenditure. The population of the Territories in May, 1901, is reported to have been in the neighbourhood of 160,000. A simple calculation shows the per capita expenditure in 1900 to have been about \$3.00. Without extravagance and in order to provide for urgent public necessities, the per capita rate of expenditure in the Territories, had the money been available, would have been between \$6.00 and \$7.00. This large rate of public expenditure in the Territories, as compared with the rates of the eastern provinces, is entirely attributable to the extraordinary increase in population due to the energy displayed by the Immigration Branch of the Interior Department. Whilst such energy is commendable from the view point of Dominion interests yet its results place a great strain upon the finances of the country and it is with all respect urged that the exploitation of the public domain within the Province to be established, in the interest of the Dominion solely and entirely will place upon the province a burden too onerous to bear and one which should properly fall where the benefits go.

22. The following amounts should be allowed and paid by Canada by half yearly payments in advance as an annual subsidy to the Province that is to say

- (a) For the support of the Government and Legislature, fifty thousand dollars
- (b) On an estimated population of two hundred and fifty thousand at eighty cents per head, two hundred thousand dollars, subject to be increased as hereinafter mentioned, that is to say—A census of the Province shall be taken in every fifth year reckoning from the general decennial census of one thousand nine hundred and



one and an approximate estimate of the population shall be made at equal intervals of time between each quinquennial census and each decennial census and whenever the population by any such census or estimate exceeds two hundred and fifty thousand which shall be the minimum on which the said allowance shall be calculated, the amount of the said allowance shall be increased in accordance therewith until the population reaches one million three hundred and ninety-six thousand and ninety-one, after which there shall be no further increase.

**NOTE.**—Section 21 provides for the payment of an annual subsidy to the new Province on the basis of that paid to the Province under section 118 of The British North America Act. It may be noted that in the year 1901 the cost of government and the legislature in the North-West Territories amounted to \$6,311.37, which amount was further supplemented by expenditures made from the Parliamentary vote for the government of the North-West Territories upon matters which in the Provinces usually devolve upon the provincial revenues, and which principle may be expected to be extended to the province to be formed.

The payment of eighty cents per head upon an estimated population in excess of the present actual population follows the precedent established in the case of British Columbia at the time of its admission into the Dominion. Ten years after its admission the population of that province had not reached to within 10,000 of the number upon which the subsidy was based. In the case of the North-West Territories the population is rapidly increasing through immigration. Since the census was taken in May, it is estimated that more than 25,000 people have come into the Territories, and it is reasonably expected that by the earliest date the Province can be established the population will reach the initial figure referred to in the Bill and that long before 1910 the population will be largely in excess of that upon which payment up to that date will be made. It is proposed that the per capita allowance shall be paid on the actual population until such time as that population reaches the number upon which the grant is paid to the Province of Ontario. Owing to the extraordinary rate in the increase of the population in the West at the present time and in future prospect it will be manifestly unfair to limit this grant to a population of 400,000 as has been done in other cases; but as the terms which are sought by the draft Bill are strictly with a those granted elsewhere it is evident that at least the maximum grant ever to be paid when the population warrants should be not less than that paid to any other Province in the Dominion. In the meantime, and until the population reaches 400,000 the grant paid will be upon the same basis as that paid in all the Provinces except Ontario and Quebec.

**22.** The Province shall be entitled to be paid and to receive from the Government of Canada by half-yearly payments in advance interest at the rate of five per cent. per annum on the excess over the sum of \_\_\_\_\_ of a sum to be ascertained by multiplying the population of the Province by 22 50 and for the purpose of this section the population of the Province shall until after the next decennial census be deemed to be two hundred and fifty thousand. Provided that immediately after the census of \_\_\_\_\_ there shall be a readjustment under this section on the basis of the population as ascertained by such census.

**NOTE.**—This clause provides for the establishment of a capital account between the Province and the Dominion upon similar terms to those

which have been given to the Province of Manitoba, with the exception that the arrangement proposed is not final, the Bill providing for a readjustment on the basis of the population at a future date when it may be expected that the ratio of increase will approximate more closely to those in the other provinces than is the case at present.

24. The Province shall be entitled to receive by half yearly payments in advance from the Government of Canada interest at five per cent per annum on the sum of one dollar per acre for each acre of land in the Province granted by the Dominion otherwise than for homesteads or pre-emption under the provisions of The Dominion Lands Act or in settlement of half breed claims.

MEMO.—Section 24 would probably be more properly referred to in connection with sections 18, 19, 20 and 21 of the draft Bill as it deals with the public domain in so far as grants of lands in the North-West Territories made for Federal purposes are concerned and seeks to place the indebtedness of Canada, to meet which these lands were given, where it properly belongs, namely, the Dominion at large and not upon the property of the Province. These grants have, in the main, been made in aid of railway construction in the West. Of such grants the following have been made from Manitoba and North-West lands to the companies named—

	ACRES
Alberta Railway and Coal Company	1 114,868
Calgary and Edmonton	2 176 000
Canadian Northern	9 907,200
Canadian Pacific	10 516,010
Great North-West Central	320 000
Manitoba and North-Western	2 752 000
Manitoba and South-Western	1 396 500
Qu'Appelle, Long Lake and Saskatchewan	1 025 444
Red Deer Valley	352 000

Of these roads only four are entirely within the Territories, those, namely, of the Alberta Railway and Coal Company, the Calgary and Edmonton Railway Company, the Qu'Appelle, Long Lake and Saskatchewan Company, and the Red Deer Valley Company, and the lands granted lie within the area of the proposed Province. The other roads named lie either entirely in Manitoba or partly within both Manitoba and the Territories. With respect to three of these roads, namely, the Great North-West Central, the Manitoba and North-Western and the Manitoba and South-Western the following is noted. The whole of the line constructed by the Great North-West Central is entirely within Manitoba. An area of 508,827 acres has been reserved for this grant, of which about 703,000 acres are in the Territories, and from which the bulk of the 320,000 acres earned under the grant will have to be selected, there being only some 5,800 acres of the reserve in Manitoba. An area of Territorial lands, equal to the whole grant to the Manitoba and North-Western Company, has been reserved for the purpose of that grant, though less than one-fifth of the road constructed lies in the Territories. The line of the Manitoba and South-Western Colonization Company is entirely within Manitoba, but an area in the Territories of about 651,000 acres has been reserved for the grant on account of this road. Of the grants to the Canadian Pacific Railway Company the balance of that on account of the construction of the main line (10,206,986 acres) is the most important. As it will be

shown on a map 2,500,000 acres have been selected outside the Territories the balance being within the Territories. The Canadian Pacific Railway Company has been granted lands in aid of its Deloraine and Napuka, Glenboro and Souris, Kemnay and Estevan and Pipestone branches amounting in all to 1,000,024 acres. A reserve approximating 1,000,000 acres in the Battleford district of the North West Territories of Canada, several hundred miles from the location of these branch railways, has been made for the purposes of these grants, though only about one half of the Kemnay and Estevan branch is within the Territories the Pipestone branch has just entered the Territories the balance of these two roads together with the whole of the other two named being entirely without the Territories in the Province of Manitoba.

The case of the Canadian Northern Railway Company may be mentioned also as it is extremely probable that a very considerable part of the grants to that company which aggregate nearly 10,000,000 acres will when made be taken from Territories lands though some portions of the company's system for which the grants have been made lies entirely outside of the Territories.

These railways have been aided by the Dominion on the ground that their construction was a benefit to Canada and the policy followed in Manitoba and the North West Territories is in remarkable contrast to that adopted by the Dominion in a great part of Canada. Published Government statistics show that the Dominion Government has granted aid to railways constructed and under construction, up to June 30, 1900, by way of loans and bonuses a sum of \$116,510,700. The people of the Territories, man for man, bear an equal proportion of the cost to the Dominion of such expenditures. There are some ninety railway enterprises, each wholly within its own Province, which have been granted cash subsidies at the charge (it is again repeated) of the people of the Territories equally with those of other parts of Canada, but in the Territories railways constructed as much in the interests of Canada as any one of the ninety referred to above, are subsidised entirely at the cost of the public domain within the Province notwithstanding the fact that some of the roads so subsidised will not benefit the Province in any form or shape. The principle being once conceded, it must be admitted that if one is, all railways constructed are for the benefit of Canada, whether it be the Canadian Pacific system with its six thousand and one miles of track or the Hopedale Junction road, two thirds of a mile in length. Canada should therefore bear the cost of the grants made by the Dominion and the Bill seeks to provide an equitable arrangement for transferring the burden of these and other similar grants from the Territories to the Dominion so that the people of the Province will not be dealt with in these respects otherwise than are the people of the Provinces of Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and British Columbia.

In addition to the matters dealt with in the foregoing draft Bill I have also to direct your attention to and to press for the removal by ancillary legislation of the exemption from taxation granted to the Canadian Pacific Railway Company under clause 16 of the schedule to chapter 1 of the Dominion Statutes of 1881. The exemption as well known is two fold. First that in the matter—The Canadian Pacific railway and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and apparatus—owned, required and used for the construction and working thereof and the capital stock of the company shall be forever free from taxation by the

"Dominion, or by any Province to be hereafter established or by any municipal corporation therein" and, Second in that part of the clause which reads—"and the lands of the company in the North-West Territories, until they are either sold or occupied, shall also be free from such taxation for twenty years after the grant thereof from the Crown." The effect of these exemptions is to prohibit any Province which may be established—or any municipal corporation therein—from requiring the Canadian Pacific Railway Company to assist in the "administration" of the country or the maintenance of "peace, order and good government" within its bounds with respect to a part of its property forever and with respect to another part for a limited period of time. This exemption falls hardly upon the people of the North West Territories in a number of ways. The nature of the land grant to the company, in that it is spread over the whole country in small blocks of one mile square alternating with those open for homesteads, causes every dollar spent by a settler in the improvement of his homestead where it lies within the districts reserved for the selection of the land granted on account of the construction of the Canadian Pacific railway, to enhance the value of the lands held for the company in its neighbourhood. All public expenditures made in such districts for roads, bridges and other works of a similar description improve the value of the lands still held by the company under its main line grant, the company contributing nothing on account of such lands towards the cost of the works by reason of which they are benefitted.

An examination of the terms of the grant to the Canadian Pacific Railway Company shows that the exemption will bear with particular stress upon any Province established within the area referred to in the draft Bill. The paragraph lettered (a) of clause 9 in the schedule to the 1881 Canadian Pacific Railway Act (chapter 1 of the Statutes of that year) reads—

(a) The said subsidy in money is hereby divided and appropriated as follows, namely—

#### CENTRAL SECTION

Assumed at 1,350 miles—	
1st—900 miles at \$10,000 per mile . . . . .	\$9,000,000
2nd—450 " 13,333 " . . . . .	6,000,000
	<hr/> \$15,000,000

#### EASTERN SECTION.

Assumed at 650 miles, subsidy equal to \$15,384.61 per mile . . . . .	10,000,000
	<hr/> \$25,000,000

And the said subsidy in land is hereby divided and appropriated as follows, subject to the reserve hereinafter provided for—

#### CENTRAL SECTION

1st—900 miles at 12,500 acres per mile . . . . .	11,250,000
2nd—450 miles at 16,666.66 acres per mile . . . . .	7,500,000
	<hr/> 18,750,000

#### EASTERN SECTION.

Assumed at 650 miles, subsidy equal to 9,613 acres per mile . . . . .	6,250,000
	<hr/> 25,000,000

The original land grant of 25,000,000 acres has been reduced by 6,723,061 acres at a cost to Canada of \$10,189,521 thus leaving the company to receive 18,200,986 acres. In other words, the amount of that apportionment of the land grant on account of the construction of the "Eastern Section"—or that part of the line which will be constructed from the east (Great River to which the road has been authorized) from a survey to be executed in 1881 of which lies in the Province of Ontario—has been exchanged for cash, at the cost of the payment of the said sum of \$10,189,521. As to the selection of the lands of the Province of Manitoba, the company has selected some 2,100,000 acres within the Province of Manitoba, leaving the balance to be selected from the lands within the North-West Territories out of the extensive areas reserved for that purpose. This particular grant is that made on account of the construction of the "Central Section" of the railway, namely that from Selkirk to Kamloops, which has been definitely ascertained to be a distance of 1,250 miles. The company is to select the lands within the North-West Territories to be 2,100,000 acres. It is therefore apparent that a grant of 2,100,000 acres of land is being made through the Province at the rate of 16,666.66 acres per mile, and 2,100,000 acres of land are taken from Manitoba, which means that in Manitoba the company is taking 2,100,000 acres the value of the grant earned by construction (the company is to select the lands at the maximum rate of 16,666.66 acres per mile) is being made out of the lands of the Territories. It is of course any person or company who might be tempted to go into the business of the construction of the railway through the Territories, it is not thought that the Territories can in any way be expected to bear the extra burden in respect of the construction of the railway through the Province of Manitoba and British Columbia. If they are to bear the expense of the Territories who are to be the main contractors, they are to be paid for the interest upon the debt created by the payment of the original bonus of \$2,000,000, the payment of \$10,189,521 for the purchase of the land on account of the Eastern, or Ontario, section of the railway, together with the annual payment of \$1,000,000 to British Columbia for the lands conveyed to Canada under the terms of the Imperial Order in Council of May 10, 1871. It is in the construction of the railway, which is to be the main burden whatever the exemption from taxation under the Canadian Land Tax Act of 1881 may mean. By the terms of that Act the Province to be established—or any other corporation therein—will be prohibited from taking the company or its property in any manner or for any reason. Unless invidious comparisons are made between the Canadian Pacific and other railway companies, it will mean the mandatory requirement of the company to that extent of revenue as in competing company will be able to expect the necessary vast sums of money required. It has prospects of obtaining similar exemption from taxation at the hands of the Province.

The necessity for this extraordinary burden upon the people of the West is not to be denied. A railway company in the West was not only a necessity for the people of the West. In 1871, when George Brown voiced the opinion of the Government of the day when he stated in his place in the Parliament of Canada during the Confederation debates that "the Confederation is, therefore, clearly committed to the carrying out of both these enterprises," his reference being to the construction of the Intercolonial railway and the opening up of the communications with the North-Western Territory. "I doubt," he proceeded to say "if there was a member of the Conference who did not consider that the opening up of the North-West and the improvement of our canal system were not as clearly for the advantage of the Lower

Provinces as for the interests of Upper Canada. Indeed one gentleman held "that the Lower Provinces were more interested—they wished to get their products into the West—they wanted a back country as much as we did—they wanted to be the carriers for that great country—and they were therefore to say the least, as much interested in these questions as we were." But there is no need to go back beyond the solemn compact entered into between Canada and the Colony of British Columbia in 1871. The Imperial Order in Council of May 16, 1871 respecting the Province of British Columbia sets forth as one of the terms and conditions upon which that Colony consented to enter the Confederation the undertaking of the Government of Canada "to secure the completion of a railway within two years from the date of the Union of the construction of a railway from the Pacific toward the Rocky Mountains, and from such point as may be selected east of the Rocky Mountains toward the Pacific to connect the seaboard of British Columbia with the railway system of Canada, and further to secure the completion of such railway within ten years from the date of the Union." The preamble to chapters 71 and 72 of the Dominion Statutes of 1872 and chapter 1 of the Statutes of 1881 set forth the fact in various ways that "to quote from the last mentioned Act" by the terms and conditions of the admission of British Columbia into Union with the Dominion of Canada, the Government of the Dominion has "assumed the obligation of causing a railway to be constructed connecting the seaboard of British Columbia with the railway system of Canada."

All this being so it is difficult for the people of the North West Territories to understand why they should be called upon to assume any other burden than that of contributing proportionately—and no more—with the people of other parts of Canada towards the cost of carrying out the obligations assumed by Canada under the compact with British Columbia. The exemption from taxation granted by The Canadian Pacific Railway Act is undoubtedly such an added burden and an imposition upon the people of the North West Territories that cannot be justly held for no reason that is conceivable this exemption bears with greater stress upon the Territories than it does even upon Manitoba. Except those lands selected by the company under its land grant which are in that part of Manitoba which is the original Province after the confederation of 1881 none of the property of the company is exempt from taxation in Manitoba. That Province today is taxing the company under Chapter 57 of the Provincial Acts of 1890.

In view of the foregoing it is submitted that Parliament should be asked to take such steps as may appear necessary in order to counteract the operation of the exemption clause of the Canadian Pacific Railway contract with the people of the Province to be created.

In conclusion, I would venture to express the hope that His Excellency's advisers will, at an early date, arrive at a favourable conclusion to their consideration of the subject matters herein set forth.

I have the honour to be,

Sir,  
Your Obedient Servant,  
F. W. G. HAULTAIN.

No. ]

BILL.

[ 1902

An Act to Establish and Provide for the Government of the Province of

His Majesty by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows



1. On, from and after the first day of January, 1903, that portion of the territory known as Rupert's Land and the North-Western Territory admitted into the Union or Dominion of Canada by Her Majesty Queen Victoria by and with the advice and consent of Her Majesty's Most Honourable Privy Council by Order bearing date the twenty-third day of June, 1870, under the authority of the 146th Section of The British North America Act 1867, described as the Provisional Districts of Assiniboia, Saskatchewan and Alberta as the said Districts are defined by Orders of His Excellency the Governor General of the Dominion of Canada made in Council on the eighth day of May, 1882, and the second day of October, 1895 respectively, and that portion of the Provisional District of Athabasca, as the said district is defined by Order of His Excellency the Governor General of the Dominion of Canada made in Council on the eighth day of May, 1882, and the second day of October, 1895, respectively, lying to the south of the fifty-seventh parallel of north latitude, shall be formed into and be a Province which shall be one of the Provinces of the Dominion of Canada and which shall be called the Province of

2. On, from and after the said first day of January, 1903, the provisions of The British North America Act 1867, except those parts thereof which are in terms made or by reasonable intendment may be held to be specially applicable to or to affect only one or more but not the whole of the Provinces under that Act composing the Dominion and except so far as the same may be varied by this Act shall be applicable to the Province of \_\_\_\_\_ in the same way and to the same extent as they apply to the several Provinces of Canada and as if the Province of \_\_\_\_\_ had been one of the Provinces originally united by the said Act.

3. The said Province shall be represented in the Senate of Canada by four members until it shall have according to decennial census a population of two hundred and fifty thousand souls and from thenceforth it shall be represented therein by five members and thereafter for each additional increase in population of fifty thousand souls according to decennial census there shall be an increase of one member in its representation until it is represented by twenty members.

4. The said Province shall be represented in the first instance in the House of Commons of Canada by ten members and for that purpose shall be divided by Act of Parliament or by Proclamation of the Governor General into ten electoral districts each of which shall be represented by one member. Provided that on the completion of each decennial census hereafter the representation of the said Province shall be readjusted according to the provisions of The British North America Act 1867.

5. The Executive Council of the Province shall be composed of such persons and under such designations as the Lieutenant Governor shall from time to time think fit.

6. All powers, authorities and functions which under any law or custom which were before the coming into force of this Act vested in or exercisable by the Lieutenant Governor of the North West Territories with the advice or with the advice and consent of the Executive Council thereof or in conjunction with that Council or with any member or members thereof or by the said Lieutenant Governor individually shall as far as the same are capable of being exercised after the coming into force of this Act be vested in and shall or may be exercised by the Lieutenant Governor of the Province of \_\_\_\_\_ with the advice or with the advice and consent of or in conjunction with the Executive Council

or any member or members thereof or by the Lieutenant Governor individually as the case requires, subject nevertheless to be abolished or altered by the Legislature of the Province.

7. Unless and until the Executive Government of the Province otherwise directs the seat of Government of the same shall be at

8. There shall be a Legislature for the Province consisting of the Lieutenant Governor and of one House styled the Legislative Assembly of

9. The constitution of the Legislature of the North-West Territories as it exists on the first day of January, 1903, shall subject to the provisions of this Act continue to be the constitution of the Legislature of the Province of until altered under the authority of this Act, and the Legislative Assembly of the said Territories existing on the said first day of January, 1903, shall unless sooner dissolved continue as the Legislative Assembly of the Province of until the completion of the period for which it was elected

10. In and for the Province the said Legislature may exclusively make laws in relation to irrigation and subject to any rights acquired under any Act of the Parliament of Canada before the first day of January, 1903, the property in and the right to the use of all the water at any time in any river, stream, water-course, lake, creek, ravine, canyon, lagoon, swamp, marsh or other body of water shall on, from and after the said date belong to and be vested in the Province unless and until and except only so far as some right of some person therein or to the use thereof inconsistent with the right of the Crown and which is not a public right or a right common to the public is established.

11. In addition to all other powers the Legislative Assembly of the Province shall have the powers conferred on the Legislative Assembly of the North-West Territories by the nineteenth section of chapter twenty two of the Acts of the Parliament of Canada passed in the fifty fourth and fifty fifth years of the reign of Her Majesty Queen Victoria.

12. The judges of the Courts of the Province shall be selected from the bar of the Province or from the bar of some other Province in which the laws relative to property and civil rights and the procedure of the Courts are the same as in the Province of

13. Except as otherwise provided by this Act all laws in force in the North West Territories on the first day of January, 1903 and all courts of civil and criminal jurisdiction and all legal commissions powers and authorities existing therein on the said date shall continue as if this Act had not been passed subject nevertheless (except with respect to such as are enacted by or exist under Acts of the Parliament of Great Britain or of the Parliament of the United Kingdom of Great Britain and Ireland) to be repealed abolished or altered by the Parliament of Canada or by the Legislature of the Province according to the authority of the Parliament or of the Legislature under this Act.

14. All public officers and functionaries judicial, administrative and ministerial, holding office in the North West Territories on the first day of January 1903, shall continue to hold such office in the Province of with the same duties and powers as before until otherwise ordered by the Governor General of Canada or the Lieutenant Governor of the Province according to the authority of the Governor General or the Lieutenant Governor under this Act.

**15.** Until altered by the Lieutenant Governor in Council the Seal of the North-West Territories shall be the Great Seal of the Province of

**16.** The penitentiary situate in the Province of Manitoba shall until the Parliament of Canada otherwise provides be the penitentiary for the Province of

**17.** Nothing in this Act shall in any way prejudice or affect the rights or properties of the Hudson's Bay Company as contained in the conditions under which that company surrendered Rupert's Land to Her Majesty Queen Victoria, and all rights, privileges and properties conferred on Canada by the said conditions shall in so far as they relate to matters within the legislative authority of the Province belong to and be vested in the Province.

**18.** All lands belonging to the Crown situate in the Province of other than lands reserved by Statute or Order in Council for the use of Indians or for and earned by any person or corporation and lands entered for homestead or pre-emption but not granted and all sums due and payable on the first day of January, 1903, for such lands shall belong to the Province.

**19.** All mines, minerals, timber and royalties belonging to the Crown situate, being or arising in the Province of \_\_\_\_\_ and all sums due and payable on the first day of January, 1903, for such mines, minerals, timber or royalties shall belong to the Province.

**20.** The Province shall receive and retain all the public property of the North-West Territories not otherwise disposed of in this Act.

**21.** All buildings in the North-West Territories belonging to Canada used or intended for court houses, jails, and land titles offices and for residence and offices of the Lieutenant Governor and Government of the North-West Territories together with all appurtenances connected therewith and all moneys the proceeds from the sale or leasing of school lands in the North-West Territories and all moneys forming the assurance fund under the provisions of The Territorial Real Property Act and the Land Titles Act 1894 shall be the property of the Province of

**22.** The following amounts shall be allowed and paid by Canada by half yearly payments in advance as an annual subsidy to the Province, that is to say:

- (a) For the support of the Government and Legislature, fifty thousand dollars.
- (b) On an estimated population of two hundred and fifty thousand at eighty cents per head, two hundred thousand dollars, subject to be increased as hereinafter mentioned, that is to say:—A census of the Province shall be taken in every fifth year reckoning from the general decennial census of one thousand nine hundred and one and an approximate estimate of the population shall be made at equal intervals of time between such quinquennial census and such decennial census; and whenever the population by any such census or estimate exceeds two hundred and fifty thousand which shall be the minimum on which the said allowance shall be calculated the amount of the said allowance shall be increased in accordance therewith until the population reaches one million three hundred and ninety-six thousand and ninety-one, after which there shall be no further increase.

**23.** The Province shall be entitled to be paid and to receive from the Government of Canada by half yearly payments in advance interest at the rate of five per cent. per annum on the excess over the sum of of a sum to be ascertained by multiplying the population of the Province by 32.46 and for the purpose of this section the population of the Province shall until after the next decennial census be deemed to be two hundred and fifty thousand: Provided that immediately after the census of there shall be a readjustment under this section on the basis of the population as ascertained by such census.

**24.** The Province shall be entitled to receive by half yearly payments in advance from the Government of Canada interest at five per cent. per annum on the sum of one dollar per acre for each acre of land in the Province granted by the Dominion otherwise than for homesteads or pre-emptions under the provisions of The Dominion Lands Act or in settlement of half breed claims

REGINA, January 11, 1902.

The Right Hon. SIR WILFRID LAURIER, K.C.M.G.,  
President of the Council,  
Ottawa.

My Dear SIR WILFRID,—I am forwarding you by this mail fifteen printed copies of Mr. Haultain's letter sent you in December, as being more convenient for the use of the different Members of the Cabinet, in considering the question.

Wishing you the compliments of the season,

I am, yours truly,

ARTHUR L. SIFTON.

OTTAWA, January 22, 1902.

ARTHUR L. SIFTON, Esq.,  
Office of the Executive Council,  
Regina, Assa.

DEAR SIR,—I have the honour, by direction of the Prime Minister, to acknowledge the receipt of your favour of January 11th, and of the copies of Mr Haultain's letter, and to state that due consideration will be given thereto

I have the honour to be,

Yours very sincerely,

RODOLPHE BOUDREAU,

Private Secretary

REGINA, March 15, 1902.

Right Hon. SIR W. LAURIER,  
Ottawa.

Legislature opens Thursday. Important that we should know nature of reply to letter of December 7 for reference in speech. Will you kindly have summary wired if possible

F. W. G. HAULTAIN.

OTTAWA, March 18, 1902

Hon. F. W. G. HAULTAIN,  
Regina.

No answer can be sent until return of Minister of Interior, who is absent through illness.

WILFRID LAURIER.

OTTAWA, *March 27, 1902.*

Hon. F. W. G. HAULTAIN,  
Regina, Assa.

Dear MR. HAULTAIN,—Absence from Ottawa due to ill health has prevented me from communicating with you on the subjects discussed by you and your colleague when here respecting the financial and constitutional status of the North-West Territories. I presume, however, that you would have gathered our views from the expressions of opinion which took place during our interviews, and our conclusions will not, therefore, I trust come in the way of a surprise.

It is the view of the Government that it will not be wise at the present time to pass legislation forming the North-West Territories into a Province or Provinces. Some of the reasons leading to this view may be found in the fact that the population of the Territories is yet sparse; that the rapid increase in population now taking place will in a short time alter the conditions to be dealt with very materially; and that there is a considerable divergence of opinion respecting the question whether there should be one province only or more than one province. Holding this view, therefore, it will not be necessary for me to discuss the details of the draft bill which you presented as embodying your views.

Respecting the present financial requirements, the question of an increase in your subsidy is now receiving consideration, but the result cannot, as you are aware, be communicated until the estimates are brought before Parliament. This I have every reason to hope will take place in a very short time.

Believe me, dear Mr. Haultain,

Yours very truly,

CLIFFORD SIFTON.

Hon. CLIFFORD SIFTON,  
Minister of the Interior,  
Ottawa, Ont.

REGINA, *April 2, 1902.*

Dear MR. SIFTON,—I beg to acknowledge the receipt of your letter of the 27th of March, conveying the decision of the Government with regard to the financial and constitutional questions which have been the subject of discussion during the past year and a half. So far from your conclusions not coming as a surprise as you suggest, I must say quite frankly that the decision of the Government has come not only as a surprise, but as a deep disappointment as well. In your letter of the 21st of March, 1901, you say:

"I may say that I realise very fully the difficulties of the position in which the Government and Legislative Assembly of the North-West Territories is placed, and I admit that there is very much in the suggestions which are made in your letter and in the memorial regarding the necessity of a change in the constitutional and financial position of the Territories.

"Without at the present moment committing myself to any positive statement I am prepared to say that the time has arrived when the question of organising the Territories on the Provincial basis ought to be the subject of full consideration. It would appear to me that the better way of bringing the matter to a more definite position would be to arrange for a conference upon the subject between the representatives of your Government and a Committee of Council representing the Federal Government."

Again on the fifth of April, 1901, you write:

"The latter portion of the Session of Parliament here finds all the Members of the Government extremely busy, and it would be hopeless to expect from them that mature and careful consideration of the various and important subjects which will require to be debated and settled in connection with the establishment of the Territories as a Province or upon a Provincial basis. I

"think I shall therefore be compelled to ask you to defer the discussion until after Parliament has prorogued."

These opinions and the long delay that followed, in order to choose a convenient time for that "mature and careful consideration of the various and important subjects which will require to be debated and settled in connection with the establishment of the Territories as a Province or upon a Provincial basis," led us to suppose that when the subject was finally taken up it would be taken up with a view to immediate settlement. The written statements, which have been made by me, must have proved conclusively that the necessity for the change was a pressing one and that we had arrived at a point when our constitutional and financial position was not adequate to the proper performance of the duties devolving upon us. Recognising this state of affairs we have gone to the Dominion Government and have said: "If you cannot or will not deal with the questions which have arisen in the Territories give us the powers and the income which would justly accompany those powers and allow us to work out our own salvation." To this you answer: "That it is the view of the Government that it will not be wise at the present time to pass legislation forming the North-West Territories into a Province or Provinces." One of the reasons given for this position is: "That the population of the Territories is sparse." I might point out that we have at least ten times the population of Manitoba when it was erected into a Province, and a larger population than that Province had so lately as 1891; a considerably larger population than the Province of Prince Edward Island, and with the immigration of the present season a considerably larger population than the Province of British Columbia according to the late census. Another reason advanced is: "That the rapid increase in population now taking place will in a short time alter the conditions to be dealt with very materially." This rapid increase in population is one of the principal reasons why we are asking to be formed into a Province, in order that we may be able to deal with the new conditions that it brings about. The longer it goes on without the change the more aggravated the present difficulties will become.

With regard to a divergence of opinion as to one or more Provinces, I might say that that is a difficulty which will always exist and which any postponement of action will not remove.

I must also say on behalf of the North-West Government that after having been asked to meet a sub-committee of the Privy Council and to state our case not only verbally but in writing, it is extremely unsatisfactory that the Government has come to the conclusion: "That it will not be necessary to discuss the details of the draft bill which embodied our views." This is a conclusion to the negotiations which have been held which we could hardly have expected considering the importance of the subject discussed and the formal manner in which the discussion has taken place.

We cannot but regret that the Government has not been able to recognise the urgent necessity for the change that has been asked and can only trust that as you have denied us the opportunity of helping ourselves you will be at least impressed with the necessity and the duty, which is now yours, of meeting the pressing necessities of these rapidly developing Territories. While we may, in your opinion, without inconvenience mark time constitutionally, we cannot do without the transportation facilities, the roads, the bridges, the schools and the other improvements which our rapidly growing population imperatively requires, and at once. Whether we are made into a Province or not, our financial necessities are just as real, and in conclusion I can only trust that when the question of an increase to our subsidy is receiving consideration more weight will be given to our representations in that respect than has been given to our requests for constitutional changes.

I am, yours faithfully,

E. W. G. HAULTAIN